

# OPPORTUNITIES AND CHALLENGES IN REGIONAL AND INTERCITY BUS SERVICE

Connecting  
Washington >> Issues  
and Innovations in  
Public Transportation



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# Opportunities and Challenges:

- Intercity transportation is in a time of flux—Greyhound restructuring, Amtrak funding crisis.
- Yet there is a continuing demand and need for regional and intercity public transportation.
- Federal policy continues to favor deregulation, limited funding.
- SAFETEA-LU provides funding, programs.



# The impact of Greyhound's restructuring has varied ...

- The impact on a state was much less if there was a local regular-route alternative carrier:
  - Jefferson Lines in a number of states,
  - Powder River Transportation in Wyoming,
  - Rimrock Trailways in Montana,
  - Burlington Trailways in a number of states.
- State response using S. 5311(f) with these carriers maintained many services.
- Many points losing service had no riders.
- In the absence of alternative interested carriers, it may be difficult to maintain or replace services.

# Federal transportation policies worked as intended:

- Federal policy from the 1983 Bus Regulatory Reform Act has been to let the market decide:
  - this case it provided flexibility to Greyhound to exit unprofitable services,
  - and it provided flexibility to other carriers to pick up new services.
- The limited safety net for rural areas (S.5311/ 5311(f)) allowed for change and allowed states to mitigate some service losses.

## **S. 5311(f), despite its flexibility, is a clumsy tool to address change:**

- **Bus companies make decisions and act quickly.**
- **States operate on grant cycles, may have allocated all funding for periods of one or two years out and be unable to respond to short-term service loss.**
- **Restrictions on match and use of funds may force states to try and preserve services indirectly—for example, buying buses in exchange for particular rural services, or providing funding on all services, including profitable routes, in order to save particular routes.**

## **States have been creative in using S.5311(f) to respond to current restructuring:**

- **Use of 80/20 capital match for preventive maintenance portion of carrier costs.**
- **Provision of buses: 80/20 capital match.**
- **Marketing funds—promotion, community awareness, and call centers.**
- **Support for multi-modal ITS to provide comprehensive information.**
- **Support for rural operators to fill gaps.**

# Many states provide operating assistance under S. 5311(f) as well:

- Some states switched current operating assistance to other carriers—for example, Minnesota and Iowa.
- Others increased S. 5311(f) operating assistance—for example, Montana.
- Some have worked to support increased role for S. 5311 public operators as off-line agents, feeder carriers—for example, South Dakota and Arkansas.

## **The S. 5311(f) requirement for a local match of 50 percent of the net deficit remains as a key issue:**

- **If the states don't provide the local match with state funds,**
- **It's very unlikely a coalition of local governments will (and getting them to agree is problematic),**
- **Leaving carriers to provide the local match—so the funding merely reduces their losses on a particular service by 50 percent.**



# Carriers coordinated their responses—states have not:

- Reviewing the response in the north central and northwest regions, there was coordination of the carriers to maintain feed traffic and make connections, but
- State DOTs generally have not worked together to support intercity/interstate services:
  - Lack of awareness of network aspects of the service
  - Funding already committed
  - Program policy differences
  - No one to orchestrate
- Exception—Washington/Oregon Regional Trip Planner project.

# Change in focus of S. 5311(f) is required:

- Many remaining Greyhound services connect urbanized areas (not rural), so
- S. 5311(f) responses need to focus both on other carriers, and
- Regional connections operated by rural transit providers (does anyone remember the “Rural Connection Program?”)



# Rural access will need to be intermodal:



- Comprehensive, multimodal information is a key:
  - for funders to plan services,
  - for users to become aware of and use available services.
- And it must be available in usable forms—internet, national telephone system.
- Interline ticketing? In some cases...
- Intermodal terminals are critical (see SAFETEA-LU).

# Rural access will require a broader approach:

- It may involve broader consideration of service types—with other providers such as airport shuttles, or other private operators.
- Maintaining access may involve other modes, other programs (bus instead of commuter air service, etc.)
- This may require rethinking some program or policy restrictions to get out of a modal mindset.



# SAFETEA-LU: the big news regarding federal programs--\$\$

- Increased S.5311 funding means increased intercity funding--\$293 million in federal dollars over five years.
- Intermodal facility funding--\$175 million for intermodal bus terminals, and more access to the discretionary program for bus facilities.
- Accessibility funding for private over-the-road buses--\$39.1 million over five years.



# **SAFETEA-LU: the big news regarding federal programs-policy:**

- Requirement for state consultation with the private bus industry regarding intercity needs.
- Change in definition of “public transportation” to remove “intercity bus”—potential impact on ability of regional public transit operators to provide “intercity” services.

## **Current issue regarding need for US Department of Transportation (USDOT)/Federal Motor Carrier Safety Administration (FMCSA) registration to interline with interstate carriers:**

- **Greyhound requires (based on court decisions) that interline partners have interstate authority.**
- **A carrier must be an interline partner of Greyhound to be included in their information system (800 number and website, TRIPS).**
- **Many rural operators do not have USDOT authority, but may get it by applying.**
- **Issue has been insurance requirement of \$1.5/5 million, which many rural operators do not have.**

## USDOT/FMCSA registration to interline with interstate carriers (continued)

- But the Federal Transit Administration and FMCSA have worked out an exemption from registration fee, and reduced insurance requirements (to level of highest state served).
- SAFETEA-LU includes language on this, so it will now be statutory.
- American Association of State Highway and Transportation Officials/Standing Committee on Public Transportation is conducting Transit Cooperative Research Program project to develop a manual on getting interstate authority.



# Opportunities:

- **S. 5311(f) flexibility.**
- **More funding under SAFETEA-LU.**
- **Intermodal Facility Funding under SAFETEA-LU.**
- **Alternatives to Greyhound.**
- **Increased role/potential for rural connectors.**
- **User Information.**
- **Intermodal Facilities.**



# Challenges:



- Continuation of the 50 percent local match requirement for operating assistance.
- Short term responses to service changes.
- Need for USDOT/FMCSA registration.
- Intermodalism to make a system:
  - User information
  - Intermodal facilities
- Community support in regions and states.
- Variation in state regulatory systems.



# Intercity Public Transportation in Washington State

## Network Planning & Implementation

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2005 WSDOT Public Transportation Conference  
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SeaTac, Washington



**Washington State  
Department of Transportation**



# What is 'Intercity Public Transportation'?

- *Operates between population hubs or from rural areas to urbanized centers*
- *Regularly scheduled, route service*
- *Fully accessible*





## What is WSDOT's role?

***Although the State may not have direct ownership or control over the various public and private transportation providers operating throughout Washington, it is the policy of the WSDOT to support and facilitate the integration of such services into a coordinated system linked by intermodal facilities.***



## How does WSDOT carry out this role?

*The State shall assist in the development of a complete, connected, and direct intercity public transportation network through:*

- ***Long-range planning activities***
- ***Strategic financial assistance***
- ***Enhanced access to public transportation information***
- ***The pursuit of a supportive policy environment***





## Why is a plan needed?

### *Washington State Intercity & Rural-to-Urban Public Transportation Network Plan*

***Create an intercity public transportation  
service architecture based on:***

- ***Broad-based needs assessment***
- ***Overall system functionality***



## Objectives:

- 1. Enhanced coordination and connectivity between public and private sector services***
- 2. Identify and fill service gaps***
- 3. Improve interface between bus, rail, ferry, and aviation services***
- 4. Facilitate consistent planning and reporting at the regional level***





## The end result:

- *A priority list of projects*
- *Timing of the final report to coincide with July 2006 Call for projects*



## Implementing the plan

***The Plan will be the primary measuring stick whereby future intercity grant applications will be evaluated...***





## What is your role?

***All current and potential intercity bus service providers should...***

- 1. Participate in the Plan's development***
- 2. Assess and document intercity needs in a manner consistent with the Plan recommendations***
- 3. Submit grant application(s) consistent with the Plan's findings and recommendations***